

## Financial Literacy

### **What is financial literacy?**

Financial literacy is the set of skills and knowledge that allows an individual to make effective decisions with their money.

### **Credit**

Having good credit is important to your financial future. Good credit can help you save money over time and increase your chances for loan approval, home rental and lower insurance rates. On-time payments are essential to good credit. Pay at least the minimum amount required before the due date. Start paying on accounts past due.

### **Savings**

Finding ways to save money brings greater security and peace of mind. Once you start saving, it gets easier. Before you know it, you're on your way to making your dreams a reality. Saving is essential to protect yourself in cases of unexpected events, such as job loss, disability, car repair, sickness and other financial emergencies.

### **Banking**

Establishing an account with a bank or credit union is a good way to keep your money safe. Deposit, check cashing and other bank services should be secure and affordable. Avoid services and accounts with high and unavoidable fees.

### **Debt**

Debt costs money and can negatively impact your credit. Pay off high cost debt first. Keep your credit card balances low. Dispute items on your credit report that you do not recognize. Try to avoid debt. If you're trying to get out of debt, obtain financial counseling to create a plan you can afford.

Call the Financial Empowerment Centers today. This is a free service of the City of Philadelphia. You can request language services when you call the number below.

Financial Empowerment Centers

[www.sharedprosperityphila.org](http://www.sharedprosperityphila.org)

1-855-346-7445